

REFERENCE TITLE: **self-employed individuals; mortgages**

State of Arizona
House of Representatives
Forty-ninth Legislature
First Regular Session
2009

HCM 2007

Introduced by
Representatives Farley: Brown, Campbell CH, Chabin, Fleming, Lopes,
McGuire, Meyer, Miranda B, Reagan, Waters

A CONCURRENT MEMORIAL

URGING THE UNITED STATES CONGRESS TO ENACT LEGISLATION PROTECTING THE
INTERESTS OF SELF-EMPLOYED INDIVIDUALS IN THE MORTGAGE PROCESS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 To the Congress of the United States of America:

2 Your memorialist respectfully represents:

3 Whereas, President George W. Bush signed H.R. 1424, which subsequently
4 became public law on October 3, 2008, allowing financially distressed
5 homeowners to refinance their homes; and

6 Whereas, the federal government recently announced it would buy \$600
7 billion worth of mortgage-backed securities and debt from Fannie Mae and
8 Freddie Mac; and

9 Whereas, according to the National Association for the Self-Employed
10 (NASE), the nation's leading resource for the self-employed and
11 micro-business, small businesses that are prime or near-prime borrowers are
12 still in danger of defaulting on their loans; and

13 Whereas, according to NASE, small businesses own 93% of all "toxic"
14 mortgages, the magnitude of which exceeds the subprime mortgage crises; and

15 Whereas, information provided by the Wall Street Journal and Arizona
16 constituents indicates that self-employed individuals, through no fault of
17 their own, are now prevented from obtaining mortgages; and

18 Whereas, new underwriting standards do not take into account
19 self-employed business owners' multiple sources of income or reflect their
20 cash flow; and

21 Whereas, these entrepreneurs form the core of this nation's economy;
22 and

23 Whereas, it is vital to address the housing crisis and credit crunch
24 for the small business community to minimize the nation's economic decline;
25 and

26 Whereas, aiding the ability of self-employed individuals to refinance
27 their loans will produce more liquid capital options, allowing them to
28 maintain their business operations and ultimately improving the health of the
29 overall national economy.

30 Wherefore your memorialist, the House of Representatives of the State of
31 Arizona, the Senate concurring, prays:

32 1. That the United States Congress act expediently to consider and
33 enact legislation enhancing the ability of self-employed individuals to
34 refinance their loans and consider developing alternative lending standards
35 for self-employed individuals and small businesses.

36 2. That the Secretary of State of the State of Arizona transmit copies
37 of this Memorial to the President of the United States Senate, the Speaker of
38 the United States House of Representatives and each Member of Congress from
39 the State of Arizona.